



CURRENT STATUS OF DIVERSITY, EQUITY, AND INCLUSION (DEI) IN SWISS COMPANIES

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Monimuotoisuus, yhdenvertaisuus ja mukaan ottaminen (DEI) työympäristössä on aihe, jonka merkitys lisääntyy koko ajan. Yhä useammat yritykset tiedostavat aiheen ja ovat valmiita tekemään muutoksia varmistaakseen monipuolisen ja osallistavan työympäristön kaikille. Tämä edellyttää yrityksen johtajilta syvää perehtymistä ja sitoutumista, jotta se voidaan sitoa yrityksen yritysstrategiaan ja siitä hyötyvät kaikki organisaation ihmiset.

Tämän opinnäytetyön tarkoituksena oli tutkia, miten sveitsiläiset yritykset ottavat käyttöön parhaita DEI-käytäntöjä, ja samalla tarkastella, mitkä niistä ovat parhaita toimintatapoja.

Opinnäytetyön teoreettisessa kehyksessä tarkastellaan monimuotoisuutta, yhdenvertaisuutta ja mukaan ottamista. Se tarjoaa neuvoja toimivan strategian rakentamiseen ja yleiskatsauksen DEI:n tilanteesta Sveitsissä sekä sen ominaisuuksista. Tutkimusosa koostuu DEI-raporttien analyysistä sekä haastatteluista, joiden tarkoituksena on saada parempi käsitys DEI:stä sveitsiläisissä yrityksissä.

Tutkimustulokset osoittavat, että tutkitut yritykset tuntevat DEI:n onnistuneen käyttöönoton periaatteet. Yksi DEI-strategian tärkeimmistä menestystekijöistä on sen toteuttaminen ja yhdenmukaistaminen yrityksen päästrategian kanssa. Lisäksi työntekijöitä ja erityisesti linjajohtajia on koulutettava ja herkistettävä aiheeseen samalla, kun johtajat näyttävät esimerkkiä. Konkreettisesti muotoiltuja DEI-tavoitteita voidaan myös mitata. Yritysten yleisenä tavoitteena on saavuttaa monipuolinen ja osallistava kulttuuri, joka johtaa suhteelliseen etuun.

Avainsanat Monimuotoisuus, yhdenvertaisuus, mukaan ottaminen, strategia, organisaatio

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Abstract

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Diversity, Equity, and Inclusion (DEI) in the work environment is a growing topic. More and more companies have become aware of the topic and are ready to make changes to guarantee a diverse and inclusive work environment for everyone. As a concept, this requires deep familiarity and commitment from the company's leaders, so that it can be tied to the company's corporate strategy and people in the organization can profit from.

The purpose of this thesis was to investigate how Swiss companies implement the best DEI practices, and at the same time examine which ones emerge as best working practices.

The theoretical framework of the thesis focuses on examining the purpose of Diversity, Equity, and inclusion. It delivers advice on how to build a working strategy and an overview of the DEI situation in Switzerland and its characteristics. The research part consists out of DEI reports' analysis as well as interviews held to get a better understanding of DEI in Swiss companies.

The research results show that the investigated companies are familiar with the successful implementation of DEI. One of the most important success factors of a DEI strategy is its implementation and alignment with the main corporate strategy. Furthermore, employees and especially line-managers need to be educated and sensitized for the topic while managers are leading by example. Concretely formulated DEI goals can then be measured through KPIs. The overall identified goal of the companies is to achieve a diverse and inclusive culture which leads to a comparative advantage.

Keywords Diversity, Equity, Inclusion, Strategy, Organization

Pages 33 pages and appendices 2 pages

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1 Introduction

1.1 Background

“Creating and managing a diverse workforce is a process, not a destination.”

R. Roosevelt, Thomas, Jr

“Having a diverse team doesn’t mean you have an inclusive team. Valuing diversity doesn’t mean you get value from diversity.”

Natasha Gill, Swiss Re

The above statements show clearly that the implementation of Diversity, Equity, and Inclusion (DEI) into the culture is a long road which probably never ends, as there is always room for improvements, especially when globalization brings together people from different parts of the world. That is why it is even more important, that companies take these topics seriously, develop strategies and grow with them. The framework conditions such as new technologies, job market disruptions, and societal changes on one side and the expectations for success and innovation on the other side demand to exploit the full potential of diverse opinions, skill set, and experiences. To maximize people’s output, the presence of an inclusive culture and fulfilled aspects of equity and belonging are required (WEF, 2020, p. 2).

The words diversity, equity and inclusion come up in more and more workplaces, and awareness of it continues to grow. Along the way, the topic has reached new dimensions, as well as concepts to which companies must react quickly to keep their DEI strategy updated. Inclusive management is also key to DEI's stable implementation and good continuity, training employees on the subject starting from the recruitment process enables a good platform for growth. DEI supports the implementation of innovation, the company's competitiveness and new ideas brought by diversity from different starting points.

1.2 Motivation for the Research

The author has a great interest in the field of human resources, and currently DEI is in the stage that is growing and gaining its own place there as well. Diverse recruitment is the starting point for increasing DEI in a company, where it is important to understand how the company benefits from bringing people from different backgrounds into the team and make them feel comfortable, valued, and heard. The author lives in Switzerland, which led to a strong will to

investigate more closely the implementation of DEI in Swiss companies. In the author's opinion, the topic is very current and important. The findings can also help companies that are in the initial stages of a DEI implementation to gain more knowledge on this topic.

1.3 Research Question and Objectives

The aim of the study is to find out how Swiss companies implement the best DEI as part of the corporate strategy. The goal of the work is also to examine where companies see potential in the future and how they evaluate their DEI status at the moment. Therefore, the following research question has been defined as: How do Swiss companies implement the best DEI practices?

To be able to answer the above formulated research question, this work starts with a theoretical framework where characteristics and meanings of DEI are explained. The theory chapter is completed with a part about DEI strategies and an overview about DEI in Switzerland. After that, the research method is presented. The data has been conducted using the qualitative research method to answer the research question. Additionally, KPIs have been used and compared. The author uses reports and interviews for data collection to get an idea of the best ways to implement DEI initiatives. The results of the research are introduced and discussed in the fourth chapter and the conclusion in chapter five completes this thesis.

1.4 Case Company

The commissioner company of the thesis is a young consulting company based in Switzerland which supports companies increasing their sales with new and disruptive business models. It is specialized in identifying the most successful sales channels and further develop those using state of the art technology. The identification of potential for digitalizing processes is another area of expertise. (CEO - Silvan K., 28.02.2024)

2 Theoretical Framework

The theoretical part in this thesis focuses on what Diversity, Equity and Inclusion mean, as well as the realization of the DEI concept in working life, and its different strategies. In addition, the appearance of DEI in companies in Switzerland has been theoretically examined.

2.1 Literature Review

Diversity, Equity, and Inclusion is a huge topic with a lot of research published. Already each of the three expressions itself form the basis for research. Therefore, it made it necessary to select specific aspects of the theories that are relevant to answering the research question and to narrow them down. Some of the main sources used are briefly presented here.

A good introduction and overview about DEI provides Nikki Andersen (2022), who has a proven and awarded track record in DEI. Another often cited author is Maria Morukian (2022), a recognized DEI expert and trainer, who is providing guidance in how to achieve high DEI standards in an organization. Many central points that need to be considered during the implementation of DEI practices are listed by her. Lewis and Tatli's area of research is the examination of the interplay of diversity and leadership (2020). The chapter 2.4 is dedicated to this topic as the management of an organization plays a vital role in the implementation and development of DEI. Valuable advice for DEI in practice provides the report published by the World Economic Forum (WEF, 2020). The WEF is famous for its annual conference where the most important and influential people from politics and business come together, to discuss several topics. The fact that also DEI is part of their agenda proves its importance.

In the research of diversity and diverse hiring Woods & Tharakan (2021) are active and developed an "Equal Hiring Index" which they further explain in their book. While Woods has more experience on the business side, Tharakan has a more academic background and did extensive research to build up their Index. Their statements are valuable for this work as they are practice oriented.

In the theory part about DEI in Switzerland, the publication of Houdrouge and Kruglak (2023) was useful, where the development of the Swiss framework for DEI is demonstrated from a legal perspective. To better understand the social factors influencing the implementation of DEI practices, Hofstede (2024) provides valuable input about the typical characteristics of Swiss people with his self-developed Country-Comparison-Tool. He is a well-known

researcher and expert in the field of cross-cultural psychology. The above mentioned are just a few very relevant sources out of all the sources used in this thesis.

2.2 Diversity, Equity & Inclusion

Concepts of Diversity, Equity & Inclusion (DEI) have been on the surface in recent years and will be in the future as well. DEI's roots reach back to the mid-1960s in the workplace environment. Societal movements and legal changes led to a change in the business world as well. The DEI's development got a further boost at the beginning of the 21st century and its impact was significantly visible in the business world. The main reason for this change was the diversification in many countries, which resulted in demographical changes of the workforce. (Golden, 2024)

The understanding of the DEI principles is especially important in companies. There are similarities as well as differences between these concepts, and they cannot be completely separated from each other as illustrated below (Andersen, 2022, p. 24). Combinations of different people support the success of the organization, and positive change only happens when DEI is adopted as part of the organization and its culture (Morukian, 2022, Introduction).

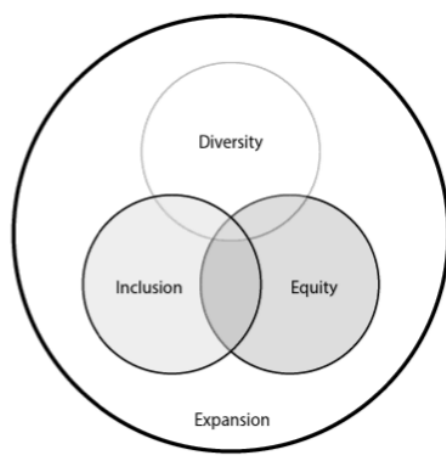


Figure 1: Diversity, Equity, Inclusion and Expansion
Morukian, 2022, p. 7

2.3 Diversity

The evolution of diversity as a concept has taken several decades to ensure respectful and honorable treatment of people. Its development as a concept and practice has been difficult at times and is still a topic that raises questions. (Otaye-Ebede & Akobo, 2020, p. 15) Diversity covers all dimensions of identity and contains all the features that shape our view (Morukian, 2022, p. 3). Morukian (2022, p. 3) summarizes the below pictured characteristics under diversity.

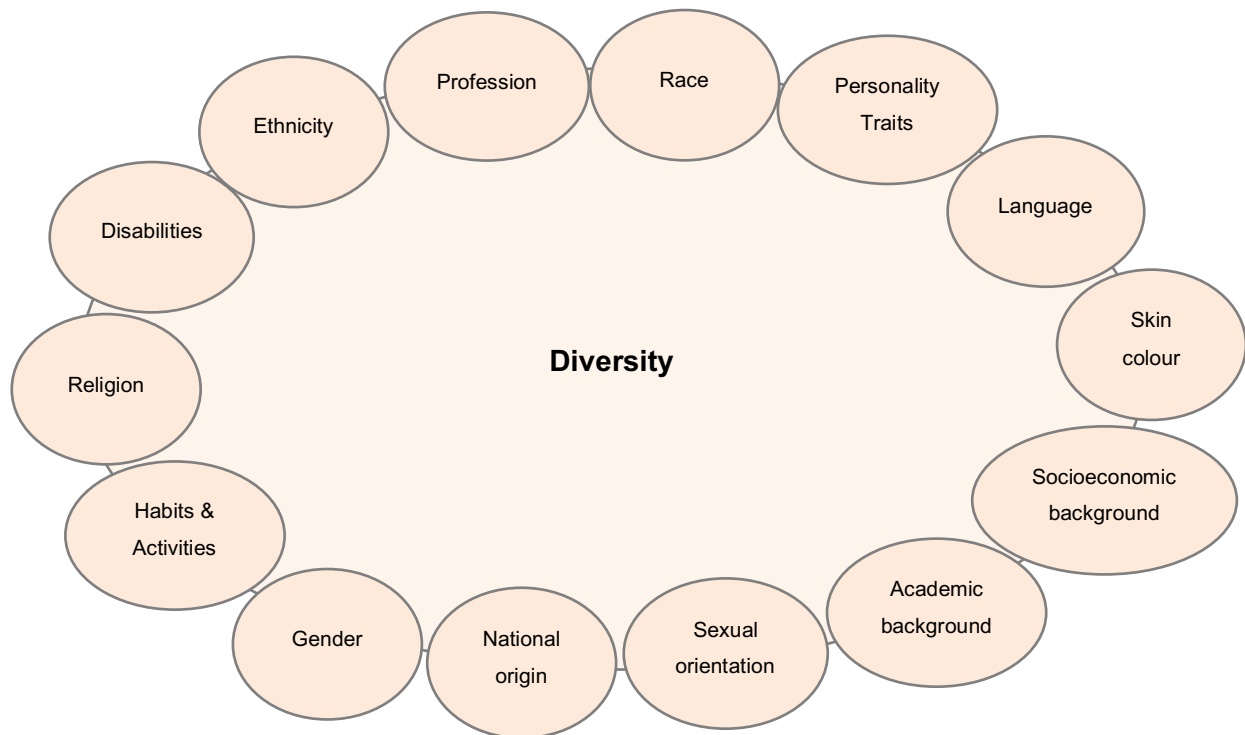


Figure 2: Diversity Characteristics

Andersen (2022, pp. 22f.) describes diversity as the presence of a diverse variety of individuals with various qualities within a group or community as mentioned by Morukian above. Bolger (2020, as cited in Andersen, 2022, p. 24) sees diversity as an outcome like “Wow, this company is diverse!”. In the toolkit of the World Economic Forum (WEF) the understanding of a diverse organization is when it represents the population of the geographies where they work and serve their clients (WEF, 2020, p. 4). There is no difference if the attributes of diversity are innate or developed through experience (WEF, 2020, p. 4).

2.4 Leadership and Diversity Management

Lewis and Tatli (2020, p. 42) note that the diversity management literature agrees that the senior leadership support of an organization is the prerequisite, that advantages from diversity can be realized. Obviously, this means that when leaders are committed to diversity and act as diversity experts, this behavior is taken over by line-managers and employees and creates an atmosphere where diversity is present. (Lewis & Tatli, 2020, p. 42)

Furthermore, Lewis and Tatli (2020, pp. 47ff.) introduce three key approaches to leadership in relation to workforce diversity. The first one is “Leadership as a property of the leader” in which they suppose that the organizational results are influenced by the manager’s characteristics. The second approach is “leadership as a product of relationships”. The focus herein lies in the relational process between the leader and its followers. With its interactive character between the leader and the context, it differs from the leader-centric approach and represents a conceptual shift. The challenge in using a relational approach is that different kinds of relationships can be created which might divide people into in- and outgroups which result in different behaviors and interactions. “Leadership as a social process” as the third approach involves more macro social processes and is seen as a social process that is a part of more extensive social processes. (Lewis & Tatli, 2020, pp. 47ff.)

2.5 Equity

The purpose of equity is to create equal operating conditions for everyone, and to promote justice. This entails chances for professional advancement, participation in decisions that affect you, and obtain just remuneration and acknowledgement for efforts (Morukian, 2022, p. 3). The aim to achieve a situation where everyone has the same chances to develop their career, especially people, who did not have this opportunity in the past for example, because of their belonging to a group with less privileges in society (Morukian, 2022, p. 4). Bolger (2020) describes it as a procedure where the starting points of inequality are found, and their imbalance is corrected.

2.6 Inclusion

The purpose of inclusion is to establish a setting where everyone feels equally valued, welcome, and respected. An inclusive environment’s goal is to guarantee that everyone has the same opportunity to utilize their talent and potential, and that everyone can participate fully

in the life of the organization (Morukian, 2022, p. 4). Inclusive organizations are characterized by people with a deep sense of belonging, being supported and growing. They enjoy sharing their opinions and thoughts while their efforts and achievements are acknowledged. The scope of inclusive organizations extends beyond their employees' lives and includes responsibility for the impact on the wider communities in which they act, with the objective of social justice and equity for everybody. (WEF, 2020, p. 4)

2.7 Expansion and Belonging

Morukian (2022, p. 5) understands Expansion as the outgo of the comfort zone within the own social network and diving into other people's experiences with the intention of building a new community that embraces all differences. The term refers to challenging oneself in existing situations to think out of the box, as well as searching for new and different voices.

The realization of the expansion requires people in certain positions equipped with authorization to act and the necessary authority to do the following. Expansion requires commitment, openness, and careful listening especially for arguments which are not identical with the own view. Expansion means shifting power from those who already had it to the others. This means exchanging familiar situations with new ones and offer those to others, while steering yourself into waters, where others control the power. Curiosity and questioning existing characteristics, role models and personal views is assumed. Expansion offers the opportunity to create a new shared culture with shared purpose and power in a more balanced way. Morukian (2022, pp. 5ff.) sees diversity, equity, and inclusion as interconnected and interdependent. To achieve a change in long-term, these three concepts need to be explored in a meaningful way within the frame of the Expansion which is binding all of them together. (Morukian, 2022, pp. 5ff.)

In recent years DEI has received a new concept called belonging (Power to fly, no date). Research shows that organizations that have implemented belonging in their DEI strategy create more connections among their employees (Power to fly, no date). Belonging is the result of inclusion and is influenced by the state of equality (Jiles, Jules & Monteiro, 2022). This can be interpreted by the theory that people have a need to belong to a group. Being accepted in social groups, such as the work environment, is a basic psychological need in humans. With adding belonging to the DEI strategy, the employees' sense of well-being can be enhanced. The feeling of belonging increases the sustainable performance of employees and is important to ensure a long-term employment relationship. (Power to fly, no date)

2.8 DEI Strategies

In this section, the purpose is to explain in more detail how to set goals for a DEI strategy, and how to implement it into a hiring process. Building a functioning DEI strategy does not happen in an instant. The most important thing is to start doing research and use different ways to get familiar with DEI (Hardy, no date, p. 7). Common ways to promote an inclusive work environment mentioned by Hardy (no date, p. 7) are the setup of recruiting guidelines as well as the creation of a diverse culture which can be achieved by diversity trainings, coaching options and measured by surveys regarding culture and diversity.

The process should be handled in a manner that is realistic and suitable for the organization (Woods & Tharakan, 2021, p. 62). For the definition of successful DEI targets Woods & Tharakan (2021, p. 63) suggest taking the following five steps. It starts with the identification of gaps discovered through team feedback, available data, and present hiring process procedures. At first, it is critical to comprehend how diversity is already visible in the organization, before setting objectives for it. If data is not available, data can be collected using a survey. The survey must be anonymous and voluntary so that the information can be shared with the team responsible for it. In the survey, employees must be treated with dignity, respect, and fairness. It is also useful and important to say that the data will only be used to study DEI initiatives. When making a survey, it is very important to have the right vocabulary when talking about issues related to diversity. As an example, when asking about special disabilities, the term “visually impaired” should be used instead of “blind”. The analysis of the initial situation and culture is essential for the conception of the DEI strategy as it is individual and needs to address the unique existing challenges (Stewart, 2022, p. 2). (Woods & Tharakan, 2021, p. 55)

As a next step it must be ensured that the diversity goals are in line with the existing culture and mission. An important point to be considered at this stage mentioned by Nwoga (2023) is the study of potential challenges which could be faced and therefore the revision of vulnerable parts of the strategy concept. Stewart (2022) suggests setting up accountability structures as a second step to clarify the collaboration and define the responsibilities.

Further the definition of diversity should be understood in a comprehensive format where several minorities are included (Woods & Tharakan, 2021, p. 65). Woods and Tharakan (2021, p. 55) point out the importance to use “person-first language” which means that the human being is always put in front of the disability or condition. To obtain the most comprehensive image of the diversity status in the organization, it is necessary to go beyond usual questions

related to gender, disability status etc. For some people who do not feel that they belong to any specific group or do not want to answer, an option not to answer or "other" should be selectable (Woods & Tharakan, 2021, p. 57). The success of the organization in the DEI strategy depends not only on determining a strong result, but also on the procedure itself (Woods & Tharakan, 2021, p. 61). Stewart (2022) suggests at this point the creation of a DEI vision statement where the organization's intention and purpose is written down.

As a fourth step, Woods and Tharakan (2021, p. 66) recommend setting up specific and realistic diversity objectives which enable organizations to measure them and make them achievable. With the constant tracking and identification of gaps, the measures can be adjusted (Nwoga, 2023).

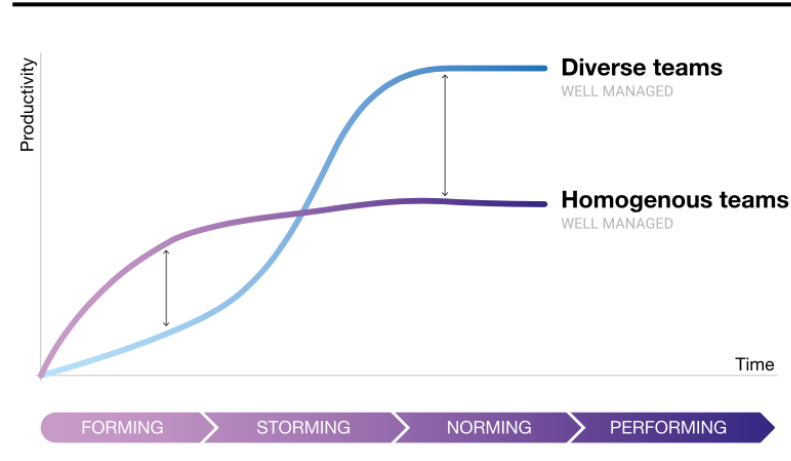
As a last step the design of a concrete timeline completes the process of setting up diversity goals (Woods & Tharakan, 2021, p. 67). Important is that people stick to the plan but are also encouraged to do adjustments and keeping the process agile (Woods & Tharakan, 2021, p. 67). The whole process can be supported and optimized with the use of technology (Kiradoo, 2022, p. 139).

The implementation of DEI into an organization's culture is legitim from a moral, legal, and economic point of view. The complete inclusion of DEI into the corporate culture as well as the code of conduct and the prosecution of non-compliant behavior is the only way to act honorable and in a moral manner. (WEF, 2020, pp. 5f.)

Equality in the meaning of behavior and chances is also ensured on a legal level internationally and adopted by most of the countries in an even more strict and detailed way. International organizations need to ensure compliant action in all countries where they are operating. To maximize the organization's full potential with DEI practices, having trained and experienced managers in DEI are fundamental. The wider know-how and extensive skillset lead to better problem-solving and are identified as a competitive advantage. The realizable potential shows WEF's (2020, p. 6) publication: Companies with well implemented DEI are with a probability of approximately 25%-36% more likely able to outperform on profitability, have a up to 20% higher rate of innovation and 19% higher revenues. Additionally, business risks can be reduced with a 30% greater ability due to better decision-making. Furthermore, a statistically significant connection could be demonstrated between commitment and retention for people involved. (WEF, 2020, pp. 5f.)

The positive impact of diversity on the performance of teams is illustrated below:

Impact of diversity on team performance



(Korn Ferry Institute, 2019 cited in WEF, 2020, p. 6)

Figure 3: Team Diversity Impact

2.9 Three focus points of a successful DEI culture

The successful implementation of DEI can be divided into the three main blocks illustrated below. (WEF, 2020, p. 9)

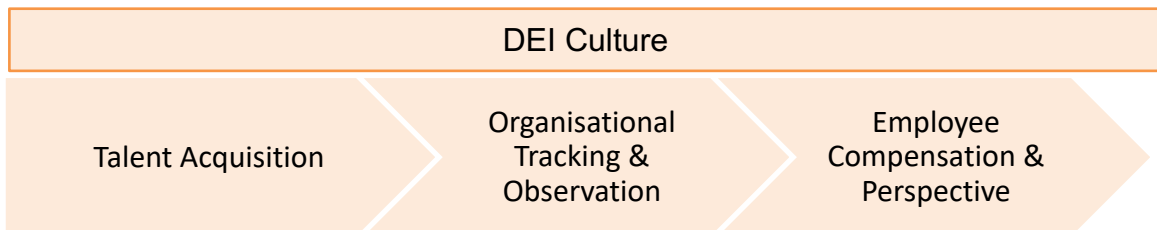


Figure 4: Implementation steps of DEI

When writing job announcements, the challenge is that the wrong writing language may distort the application process and reduce the ability to reach an as diverse and wide applicant pool as possible. As an aid to this, various AI-powered text analytics evaluate the patterns of the language used in the job advertisement and give suggestions for the neutral form of the language and its appeal to different population groups. The search for candidates should be expanded to target different groups. This can be done using candidate search platforms that also reach sub-groups. Another example is setting-up screen reading technologies which enable sight-impaired candidates to access the job announcements. Including candidates in the evaluation process with experiences and skills that differ from those of the rest of the team

members and formulating the job announcement in an open way to encourage such candidates to apply. (WEF, 2020, pp. 10ff.)

The current status of DEI should regularly be monitored with pre-defined Key Performance Indicators (KPI). Therefore, it is essential to decide which KPI's should be tracked and put together on a dashboard which is discussed on a regular base compared with the predefined targets and competitors. Analyses should also be done on a personnel level where employees are mirrored to identify training needs in specific areas and avoid exclusionary behavior. It is also important to obtain feedback regularly in order to be able to estimate the employee's mental health. (WEF, 2020, pp.12f.)

There are factors within organizations which might lead to mute employee's voices with a diverse background and influence their feeling of inclusion. To prevent this, the employee's empathy needs to be strengthened. Additionally fair and transparent reward concepts need to be in place and satisfying individual development and learning paths need to be provided. (WEF, 2020, pp. 14f.)

2.10 DEI Maturity stages

DEI can be divided into five different stages, which are as follows: aware, compliant, tactical, integrated, and sustainable. Awareness of DEI in a company usually starts because of a sanction for something. This can be like an incident for the company that it wants to change its approach. Companies that are in the awareness phase are usually divided into two groups: to older, already successful companies that have not yet made DEI a part of the company's operations, and to start-up companies whose focus is on other things. At this stage, honesty is needed in the management teams, and reflection on why DEI is important for the company. (Washington, 2022)

In the stage two companies must fill in e.g. regulations required by the government to achieve diversity. At this stage, companies can also organize trainings and raise awareness of the topic in the company. It is important, that companies do not stay in this stage too long, setting goals over compliance keeps motivation and the realization of goals realistic. (Eliot Partnership, 2023)

The third phase, also called the tactical phase, involves the implementation of an overarching DEI strategy in companies. The team responsible for DEI processes is also carefully being put together. DEI is taken into account within the entire company, internal and external

stakeholders are considered and the consequences they are facing due to the implemented DEI activities. (Eliot Partnership, 2023)

When internal and external activities have been combined, the company arrived at the so-called integration stage. This requires e.g. the defined DEI strategy, the development of a culture of inclusion and the examination of discrimination and inequality in external and internal stakeholders. To reach this stage, there are various experiments and research behind to test several options. (Washington, 2022)

Companies that have taken the fifth step have reached the stage sustainable. This means that DEI work is already fully part of the company, and a little more. It can be said that these features are rooted in the company's operation and cannot be identified anymore as a single initiative. (Washington, 2022)

2.11 Characteristics of Switzerland and its society

As a rather small country in western Europe with a population of roughly nine million inhabitants (Benz, 2023), Switzerland is famous for its great infrastructure paired with attractive site conditions for companies to settle down and the strong economy with stable growth. With a GDP per capita of USD 92'000 in 2022, it is under the top ten economies worldwide (The Swiss Federal Statistical Office, 2023). The Swiss labor market has relied on foreign workers in recent years (Jaberg, 2023) and had a very low unemployment rate of 4.1% at the end of the third quarter in 2023 (The Swiss Federal Statistical Office, 2023).

To provide an idea about the Swiss culture and how the culture influences the values in the workplace, in the following part the results of Hofstede's model for national culture about Switzerland are presented. As Hofstede states that the statements about countries are generalizations and should be interpreted in relation to other countries, the Swiss results are compared with the ones from Finland and Sweden as illustrated below. (Hofstede, no date)



Figure 5: Country Comparison Tool according to Hofstede with Switzerland, Finland, and Sweden. Source: (Hofstede, no date)

Hofstede analyses the six dimensions power distance, individualism, motivation towards achievement and success, uncertainty avoidance, long term orientation and indulgence. In the 6-D model, power distance is defined as the extent to which unequal power distribution is accepted. With a score of 34, Switzerland sits in the lower ranking here close together with Finland and Sweden, which means that people think that inequalities should be minimized so that hierarchies are only for convenience, equal rights should exist, and power is decentralized. Interesting is that the French part of Switzerland scores higher analogous to France which means that hierarchical orders are more accepted. (Hofstede, no date)

High scores in the individualism dimension means that people's self-image is more embossed by an "I" instead of "we" and people look more after themselves and the closest family only instead of a wider group (collectivists). Applied to the working world, this means that the employees are expected to look for themselves, the relationship between the employee and the company is rather contract based and the hiring and promotion is based on merit solely. All three countries are categorized to be individualist countries, with Sweden topping the ranking. (Hofstede, no date)

In the dimension "motivation towards achievement and success", the scores of the three countries differ the most. While Switzerland with a score of 70 is considered to be a decisive country where people thrive towards achievement and success under high competition, where

performance is very important, the Swedish society is assessed exactly in the opposite way where values such as caring for others and life quality are in the foreground. According to 16 Personalities (no date), Swiss are more intuitive than observant which probably is connected with the motivation towards achievement. Finland is also on the consensus-oriented side but not that extreme. (Hofstede, no date)

Switzerland and Finland are on the same balanced level of uncertainty avoidance. Sweden scores significantly lower and means that it is less conservative, and people are more likely open for new ideas and innovation. A higher score says that people value safety higher and have an emotional need for rules. (Hofstede, no date)

In the analysis of the long-term orientation, Switzerland is said to have a normative culture where traditions are respected, the fast achievement of results is wished and suspicion towards societal change is present. With ten or twenty points more, Sweden and Finland show more flexibility in adapting traditions to new conditions. (Hofstede, no date)

With a score of 66, Switzerland's society is according to Hofstede considered to be indulgent. This tells that people enjoy life and have fun when they feel a desire to do so. They are said to have a rather positive attitude and are more likely optimistic. 16 Personalities (no date) states that Swiss people are more "feeling" than "thinking" which is in line with Hofstede's findings. (Hofstede, no date)

2.12 DEI in Switzerland (Law, current situation)

This chapter gives a bright overview about where Switzerland stands regarding Diversity, Equity, and Inclusion. On the gender equality side has not been much progress in Switzerland from the year 2022 to 2023. While in non-management positions the women's representation is at almost 50%, it drastically drops with each level up and ends at 22% in top-management positions as visualized in the figure below. Another number worth to mention is the share of women with signatory powers listed in the Swiss commercial register which lied at 22% in 2021 (De Boer & Kaufmann, 2021, p. 3). When considering the female talent pool which only slightly increased, it is clear that the situation is not going to change in short-term. The development of the Swiss labor market, which meanwhile is characterized by labor shortage might increase the pressure on solutions and topics such as DEI. Petropaki et al. (2023, p. 9) already call it "war for talent". (Petropaki et al., 2023).

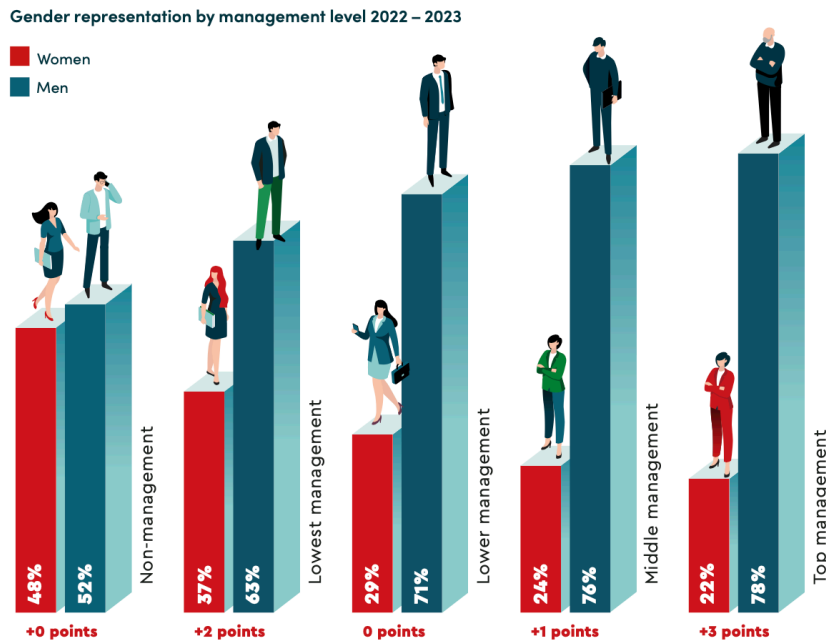


Figure 6: Gender representation by management level (Petropaki et al., 2023, p. 4)

Houdrouge and Kruglak (2023, p. 2) assess DEI in Switzerland in the three following ways: Societal Framework, Legal framework to protect and promote workplace DEI and DEI measures implemented by employers on a voluntary basis. According to Houdrouge and Kruglak (2023, p. 2) lies the reason for the underrepresentation of women and minority groups in the Swiss workforce in historically relatively strict laws such as the late allowance for women to vote (1971) and the immigration policies. The recent changes to the immigration laws, namely the free movement agreements with the European Union have supported the diversity. The Gender Equality Act which guarantees workplace equality and is meant to prohibit sexual harassment in the workplace was introduced in 1996. During the last years Swiss employers have started to implement DEI measures like increasing family leave, flexible work possibilities and participating in voluntary DEI certifications. Houdrouge and Kruglak (2023, p. 3) attribute this to the large number of multinational companies in Switzerland with DEI policies implemented worldwide. A legal innovation represents the implemented minimum quotas for women in the board of directors (min. 30%) and executive board of organizations. Further regulations in Switzerland which support DEI are equal rights and pay for men and women (Constitution), the gender equality act (applies to private and public law employment relationships), measures for the integration of individuals with disabilities and strong data protection laws.

In addition, Switzerland is also part of several international conventions which contain provisions related to DEI. As a consequence of the revised gender equality law, all employers with more than 100 employees are obliged to run an equal pay analysis every four years and the results need to be presented to the employees as well as the shareholders (Goop, 2023).

Houdrouge and Kruglak (2023, pp. 9, 12) state that even though workplace DEI training became more popular, the introduction of public DEI policies and initiatives as part of companies' business strategy is neither common among Swiss employers nor required. In contrast to that stand the multinational companies in Switzerland, which actively try to implement DEI initiatives across the company as part of their overall business strategy. Medium sized companies often follow this strategy as well in order to build up an international image.

Equity is generally discussed in the context of equality in Switzerland where the creation of a discrimination and harassment-free workplace is an integral part of equality and lies in the center of lot of DEI legislations. Affinity groups are also not common in Swiss workplaces but might be part of the overall DEI strategies of multinational companies. (Houdrouge & Kruglak, 2023, p. 13)

During the COVID pandemic, the women's pay was more likely to have been cut than men's since they were more affected with short-time work (Dubois, Lambertini & Wu, 2021, p. 33).

Sander (2020) states that the groups which are already marginalized were hit more strongly with negative effects from the pandemic and faced a lack of perspectives than those who already benefit from systemic privileges. The impetus for including topics such as racism and discrimination due to color or ethnicity on the agenda in big Swiss corporations sees Sander (2020) in the death of George Floyd in 2020. Since then, the appearance of diversity strategies and measures became more comprehensive and topics such as social strata, age, and skin color/ethnicity in addition to gender have been increasingly considered.

The skills shortage and competition in hiring talents leads to the situation where topics like employer branding as well as the extension of job profiles and recruitment from different talent pools become present on management agendas and target of the DEI strategies (Sander, 2020). The digitalization boost and enhanced flexibility in working conditions as a consequence of the pandemic did contribute to greater diversity by including a wider range of talent from diverse groups who rely on more flexibility. (Sander, 2020)

3 Methodology

In this part of the thesis, the used research types are presented to the reader. The research method is briefly presented, as well as the way in which the data has been collected.

3.1 Research Method

In science, a distinction is made between quantitative and qualitative research methods. While quantitative research methods are used when existing theoretical statements already exist and hypothesis can be created, which then can be verified with variables, qualitative methods are characterized by a more exploratory character (Brüsemeister, 2008, p. 19). With qualitative methods theoretical statements can be created.

Within this thesis, the data has been collected using the qualitative research method. KPI numbers were also used out of companies' reports to illustrate their current situation. A collection of resources for a researcher to receive an impression about the human experience in a considerate and methodical manner is provided by qualitative research (Lincoln, 2022, p. 6). The purpose of qualitative research is to understand how people experience things, via their own emotions expressed and therefore it is a method of looking at the empirical world (Taylor, 2015, p. 18). In this study, understanding the best DEI strategies requires examining the experiences of different companies to see what the best means are.

3.2 Research Strategy

Qualitative research has mainly been used in this work. Using companies' DEI reports, allow the writer to gain a broad understanding of the experiences, results, and future prospects. The publication of DEI reports in companies is relatively new, and therefore it was not possible to find reports from many companies. In this work, the companies' most recently published reports have been used. The reports also reveal KPI numbers that are important for DEI. In the research results, the most important KPI figures have been mentioned and compared to each other. The author's goal was to get as broad an understanding as possible of the best ways to implement DEI in companies. Therefore, interviews have been conducted with companies and DEI reports from companies have been used in this study, with which no interviews were carried out.

3.3 Data Collection

The process of collecting the primary data for this thesis started by familiarizing the author with the DEI strategy reports of different companies in Switzerland. The reports gave a good idea of what companies have done in recent years in their DEI strategy. Company reports are an important part of the data collection in terms of the research question, which is why they have been used as one of the research methods.

For the author it was important to try to get interviewees from companies that have already published results on the subject because it is assumed that the interviewed people can provide relevant information and therefore deliver valuable input. Conducting interviews counts according to Punch (2018, p. 174) to the most frequently used methods of data collection in qualitative studies because they precisely capture the perceptions and assessments of those surveyed. Riesenhuber (2007, p. 12) adds that interviews can differ in terms of the level of standardization, method, and confidentiality of the survey objective. A differentiation into structured, semi-structured and non-structured interviews is made by Minichiello, Aroni, Timewell and Alexander (1990, p. 89). In this work, the semi-structured variant was chosen due to the ability to compare with this degree of standardization and the option to still dive deeper where necessary.

Typical interview methods according to Riesenhuber (2007, p. 12) are personal interviews, phone interviews, the shipping of the questionnaire and the computer-assisted interview. Aspects such as data accuracy, the amount of data, flexibility, representativity, cost, time, and interviewer-bias influence the choice of the interview method. For the present survey, the method of a video-call interview was suggested, as it is seen as the most efficient method regarding cost, time, data accuracy and building of trust. From the two interviews conducted, one was held via video call and the second was done in writing as the interviewed wished so. The video call interview was under agreement with the interviewed recorded to be able to fully focus on the course and content of the conversation. At this point should be mentioned, that it was difficult finding interview partners. The reason for that is, that there are less, and less contact information published anymore in big companies which makes it hard, getting in contact with the right people. Some contacted companies did never respond to the request and others contacted, answered that they are not actively dealing with DEI topics in a way that they define DEI goals and a DEI strategy.

3.4 Interview policy and design

The goal of the interview was announced together with the context and intention. The questions were sent to the interviewees in advance of the actual interview that they were able to prepare. The interviewed were informed about the possibility to appear anonymous. The interviewers were given the opportunity to answer questions in the form of e-mail, but the emphasis was nevertheless given to the Teams interview, so that the author could get as comprehensive answers as possible and had the opportunity to ask additional questions. Getting interviewees was not easy, which is why the decision to have an email interview was also included.

To conduct the semi-structured interviews, questions based on the theory out of the previous chapters and the required information to answer the research question were created. The advantage of such a list of questions sees Lamnek (2005, p. 307) in the better ability to keep an overview, not forget questions and comparability. The development of the interview questions was made according to Helfferich's (2014, p. 567) principle of collecting, check, sort, and subsuming. First, many questions were collected and after they have been proven towards their relevance in answering the research question and have been sorted. This led to the division into the parts as introduction, strategy, trainings/education and current KPI's and future goals. For testing reasons, the list of questions has been discussed with several people and was adjusted accordingly. The list of the questions can be found in the appendix.

4 Research Results

4.1 Introduction of the interviewees

From the two interviews, the one with company A was held via Google Meet on the 3rd of April 2024 and the second with company B was gathered in writing via email, where the answers were received on 4th of April 2024. The first interview was held with the person familiar with DEI in a big Swiss pharmaceutical company. For the second interview, the questions were answered in writing from a person out of the HR department of a big Swiss insurance company. Both companies are familiar with the DEI topic and already published information regarding this topic on their websites.

4.2 Interview Analysis Company A

Company A is developing very strongly in DEI according to the interview partner and committed itself with hiring a DEI officer in September 2023. DEI is part of their global corporate strategy and vital for how they achieve goals. In the maturity model of DEI, company A would position itself currently solidly at step three moving into step four.

The ongoing DEI initiatives focus on the four main areas such as patients, people, culture, and society. In the area of patients, the focus lies on ensuring that company A offers inclusive clinical trials and that they are even exploring disease areas which touch various demographic groups differently. An equitable focus on that must be ensured. On the people and culture side policies and practices ensure fair opportunities for development and advancement for every employee within the organization and people in the hiring process. The area of society includes thoughts about what influence internal decisions have outside of the company related to equity. The example which was brought up is that the selection of vendors you are partnering with have an impact on the communities in which they serve. With a diverse setup of suppliers, the chances are higher that education opportunities for underrepresented individuals, for development and growing, are higher, which follows an equitable idea.

As company A's biggest achievement, its commitment to the "valuable 500" was mentioned. It is an initiative that focuses on disability inclusion and includes actions and efforts to support employees which identify with disability. The interviewed feels proud about their current path and pointed out that this is a process which is still ongoing.

Recently there have been challenging economic situations like inflation, or for in Switzerland based companies the exchange rates which led to competing priorities within the company. Under these circumstances it is hard to keep DEI as a part of the decision process and ensure that it retains its high priority. The interviewed of company A sees the solution in having a diverse workforce because they can innovate most strongly for not only them patients but also meeting global challenges which they see across markets.

Company A is looking for many different factors of ensuring equity worldwide but one in particular is the equal payment across genders. Such an evaluation is taking place every 3 years. Another measure is the career development, where they target a leadership which is representative to the workforce representation. As an example, they are striving towards a workforce with a 50/50 share of women and men and aim to have the same distribution on leadership level.

The company A is making sure that the employees are regularly educated in these topics and therefore there is an overall learning portfolio in place, where one part of it is called "DEI learning journey". It encompasses the following five different courses: DEI foundation, unconscious bias, allyship, intercultural awareness and psychological safety. Additionally, company A embedded many DEI concepts and practices to their leadership development portfolio. Personally, the interviewed from company A is constantly educating herself as she receives different articles and research daily and investigates those. She also includes these in her work. Additionally, she is a member of several different development groups where regular exchange is taking place.

Company A is working with several KPI's to track their DEI development. Several of those KPI's are published in the annual report. The overall ambition is that leadership mirrors the workforce which is measured with the two KPI's. One of which is the percentages of women in the most senior leadership levels, that increased by 2% last year and 1% this year. The second one is called "underrepresented nationalities" and is looking at its global workforce and individuals that have a nationality from Asia, Latin America, Middle East, and Africa. Those individuals also increased by 1 % in their most senior leadership roles.

An important activity for the future is measuring and fostering a more inclusive culture which they are measuring with the inclusion index. It is the result of a compilation of the answers given to several questions out of their global employee survey. It should measure the sense of belonging which employees feel. With the inclusion index company A wants to be more rigorous in measuring progress. Through learning and development opportunities where

people's skills and intercultural awareness are trained, they want to strengthen the inclusion index. In the daily business this means that the employees know what kind of questions they can ask in specific situations and the several stakeholders understand the communication in the same way. Company A's understanding of inclusion is the creation of an environment where all can be successful, moving forward is possible and where there are no misunderstandings. Additionally, the interviewed added that a global organization such as company A needs to be aware of the laws, regulations, and cultures in different countries and agile react on changes of these framework conditions.

4.3 Interview Analysis Company B

The human resource office is responsible for DEIB in company B. To continuously identify the current DEI status, they regularly run internal surveys on DEIB and check the available HR data and analytics. They then compare their own DEIB status with state-of-the-art examples and exchange themselves with other companies in their industry.

As a present DEIB initiative the interviewed mentioned their various employee research groups which are actively involved in topics like women's career advancement, LGBTI+ etc. The company's HR supports those financially. In addition to that company B is cooperating with social security institution of the local government to reintegrate long-term unemployed who could not work because of an accident or due to sickness. Another collaboration mentioned is the one with the athlete network where they offer former professional athletes career opportunities in the private industry. Through their partnership with "Powercoders" they offer refugees a start into a professional career in the IT sector. In general, the FlexWork model is promoted which allows to work time and location independent. A current focus point is the goal to bring more women into senior leadership positions for which they change structures, HR processes and set up a dedicated sponsoring program.

The interviewed is proud about company B's overall DEIB situation and all the implemented projects so far and especially points out the collaboration with the social security institution to reintegrate long-term unemployed. As a challenge the interviewed mentioned the difficulty to measure achieved goals. This counts for dimensions of diversity which company B does not measure such as the cultural background or the identity.

As a measure to ensure equal chances for development and fair reward a comprehensive leadership education program is set in place where managers are trained, and awareness is raised. In addition to that, the interviewed confirmed that processes which ensure equal

opportunities are implemented. The interviewed of company B also underlines the importance of psychological safety, with the purpose to make sure that an environment is created where everyone feels comfortable and feels encouraged to discuss issues with supervisors. The company B uses digital trainings to raise awareness about these topics. The interviewed in this context points out that they already performed equal pay analysis long before it became mandatory for large corporates to ensure equal pay for equal work.

Company B is training all their leaders regarding unconscious bias and planning to continue with that. The interviewed personally educates herself on a regular basis, gathers information about current trending topics and is constantly exchanging herself with different people and experts in and outside of Switzerland.

To measure the status quo and progress in the DEIB field, company B is tracking the KPI's such as distribution of women and men, distribution of women and men in leadership positions as well as part-time and full-time numbers for gender and generations. For the future company B has a five-year plan to achieve at least a 30% share of women at all levels of leadership. Furthermore, the interviewed added that they are convinced that diverse teams perform better and achieve goals faster.

4.4 Content Analysis

As an addition to the interviews with large Swiss companies about their handling of DEI topics, further companies' DEI reports are analyzed in this section to understand where they are standing with DEI topics and what strategies, achievements, and goals they have. There are not many Swiss companies, which published a Diversity, Equity, and Inclusion report until now. It is obvious, that the ones who did publish one, have been dealing with the topic already for a while, what they also market in their reports. The reports of the three companies Union Bank of Switzerland (UBS), Swiss Re and Pictet have been analyzed in this thesis.

UBS is a globally operating Swiss bank, specialized in wealth management. In 2023 it took over Credit Suisse, the up to this date second largest Swiss bank under pressure of the government. Before the takeover, UBS employed globally 74'000 people from which about 20'000 were employed in Switzerland (UBS, 2022). The UBS DEI Report was published on April 28, 2023, and covers the year 2022. Swiss Re is a leading Swiss reinsurance and insurance company with a global workforce of over 14'000 employees from which more than 3'000 people work in Switzerland (Swiss Re, 2022). As part of the Pictet Group, Pictet Asset Management is a Swiss Asset manager with a bit more than 1'000 employees from which

almost 50% are working in Switzerland. The reports of Swiss Re and Pictet Asset Management were published in 2023.

All three companies have already several DEI initiatives in place and see DEI as an integral part of their culture (UBS, 2022, p. 6; Swiss Re, 2023, pp. 6, 8; Pictet, 2022, p. 3). Each of the companies defined its individual DEI strategy. While Swiss Re and Pictet mainly consider their own employees, UBS also presents an external stakeholder strategy structured into clients, communities & society, and suppliers & vendors. The figure below gives an overview about the number of employees working for the companies, the number of different nationalities and the share of women. The numbers are taken from the companies' DEI reports. Companies A and B are not included in this table to preserve their anonymity.





	Company	UBS	Swiss Re	Pictet
	Employees globally/ in Switzerland	>74'000 / 21'000	>14'000 / 3'400	>1'100 / 500
	Number of employee nationalities (globally)	>150	>120	>70
	Share of women in workforce (globally)	41%	48%	34%
	Share of women in leadership positions	25%	25%	24%

Figure 7: DEI KPIs of the companies analyzed in the content analysis part.

4.5 Content Analysis (Report A) UBS

On the client side, UBS on one hand provides ideas and offers opportunities for investors to support DEI and on the other side actively develops initiatives targeting investors who have not had equal opportunities so far (UBS, 2022, p. 6). The communities and society are supported through partnerships with several stakeholders, sharing knowledge and making

clients aware of and guiding them within DEI topics (UBS, 2022, p. 6). With a database for diverse suppliers, UBS is constantly giving effort to ensure and update its supply chain under consideration of DEI aspects (UBS, 2022, p. 6). The employee strategy from UBS consists of the four components Accountable, Hire, Develop and Belong with the intention to achieve a diverse workforce, inclusive culture, and a higher share of women in director and above levels (UBS, 2022, p. 17).

Accountability means that a setup needs to be created which encourages leaders and everybody in the company to contribute to the defined goals and make them accountable with collected data. Other than data monitoring, also management dashboards, fair pay practices and other toolkits should help to achieve goals. The employees are motivated to share diverse characteristics for analysis expansion. All the processes are identically applied globally and the compliance with policies and practices are ensured through internal reviews and external audits on an annual basis. The hiring process for diverse talents is built in a way that it starts with research about on which channels they are reachable and which content attracts their attention. With continuous evaluations, the impact is getting increased. Through that, the number of applications from women for director level or higher positions could get increased. Another example is the initiation of the UBS Career Comeback program. In this program, professionals who were absent get hired directly into roles where they get support of coaches and are connected with several communities of people with similar paths for their return to business. (UBS, 2022, pp. 18; 21f.). In Switzerland UBS managed to achieve an almost 50% female quota for junior talent and apprenticeship programs. Through a partnership with MyAbility, UBS offers students with disabilities the chance for job-shadowing and access to graduate programs (UBS, 2022, p. 32).

In the area of development UBS offers many development opportunities for an inclusive environment with on- and offline trainings, self-learning, coaching etc. under the principle of equality (UBS, 2022, p. 23). In 2022 more than 500 employees took part in general inclusive leadership trainings as well as sessions with focus on other DEI topics. In Switzerland, over 200 people were in mentoring and mentoring-reverse relationships. The Culture Awareness Network had a participation of more than 1000 employees (UBS, 2022, p. 32).

The word “Belong” stands for the creation of an inclusive environment where people feel comfortable, recognized, and respected. Employee networks and DEI ambassadors support these efforts while hybrid working models offer many options and for example help employees with disabilities (UBS, 2022, pp. 26f.). Since 2021 UBS is partner of “Valuable 500”, a program

which is committed to better include disabled people. Therefore, a disability recruitment expert was hired to further develop inclusion of disabled talents (UBS, 2022, pp. 29f.).

4.6 Content Analysis (Report B) Swiss Re

Swiss Re has declared DEI a business priority and defined a DEI strategy containing three goals with an inclusion-first approach. They represent the point of view that it is not given, that with a diverse team you have an inclusive team and believe that “stronger inclusion powers greater diversity in a virtuous cycle”. Swiss Re is convinced that diverse teams add value and when people feel comfortable, they can deliver best work, drive business further and create a culture of performance. Their three goals are leading with inclusion first, embedding equity and inclusion in core people practices and leveraging diversity in the workforce to drive resilience. Their inclusion-first approach is their guiding light until 2025. After that they will expand their strategy on further diversity themes. (Swiss Re, 2022, pp. 4f.)

To achieve an inclusive culture, where employees feel valued, respected and empowered and are led with inclusion, Swiss Re takes leaders in charge and created the “Inclusion Experience Journey”. The program is designed to train leaders and line managers in a two-year learning experience together with external experts. The training contains learning modules, best-practice sharing sessions, team dialogues, events, and challenges. 90% of the senior leaders completed the training and shared that they now have a stronger eye on inclusion and challenge biases in the way they lead. That these trainings are valuable is proven by the fact that 88% of the employees feel that their line manager exemplify inclusive behavior and that 84% of the employees feel that they can be their authentic self at work. Awareness that we are living in a dynamic environment and that continuous adaptations are necessary is existing. (Swiss Re, 2022, pp. 5-9)

As a second goal, Swiss Re is seeing a lot of effort to embed equity and inclusion in its core people practices along the employee life cycle, which is divided into the five steps recruit, onboard, accelerate, develop, and separate. The measures set in place in recruiting are the usage of inclusive language in publications to widen talent pools of underrepresented groups and the implementation of a structured interview process with diverse interview panels. The onboarding journey is globally aligned towards inclusivity. Under accelerate, the assurance of equal measurement of job performance and pay is summarized and annually reviewed. In the development area, Swiss Re commits itself to have diverse nominations for global programs and is supporting all their employees in their individual development plans. As a last step in

the cycle, the company wants to understand the reasons for people leaving the company through exit interviews and collect feedback for improvements. (Swiss Re, 2022, pp. 10-11)

For the third goal, leveraging diversity, Swiss Re chose the five themes gender, generations, race, and ethnicity, LGBTI+ and mental health within diversity, to lay the focus on. A good mix within these dimensions will support innovation and growth.

For female representation, the share should be increased on all levels but in senior management positions, Swiss Re wants to achieve a 30% share of women in the Executive Committee and a 40% share for Executive Directors by 2025. By June 2023, female share in the workforce overall was 47.7% while it was at 31% in executive/senior management teams and at 37.5% in all management positions (Swiss Re, 2022, p. 16). To ensure a generational mix, flexible working options and benefits for specific life stages were implemented such as parental leave, option to reduce working hours before retirement with full employer contribution to the pension fund, kids house for childcare or 500under30 for networking opportunities (Swiss Re, 2022, p. 20). For Race and Ethnicity as well as LGBTI+ awareness is present with the support of partnerships and communities. Under mental health, physical health is also included, and people are encouraged to be open about their health and several options for support are available (Swiss Re, 2022, p. 26).

Employee Resource Groups have been created which support and guide employees through DEI topics and to measure the current situation and the progress in DEI, several KPIs are defined and updated bi-annually (Swiss Re, 2022, pp. 14, 28).

4.7 Content Analysis (Report C) Pictet

Pictet's approach is based on key principles such as talent, measurement, culture, and community which form the starting point for defining the goals. With inclusive and equitable policies and practices, talents should be attracted, kept, and developed. The accountability and transparency as well as the results are being improved through measurements and reports. Establish and support an inclusive culture where people are heard, respected, and valued is another principle. The fourth principle is the promotion of DEI not only internally but also externally with stakeholders and communities. (Pictet, 2023, p. 4)

On terms of diversity, Pictet wants a culture where the difference in representation is valued and supported and where diversity thoughts are honored. To ensure equity, the talent

development processes, employee benefits and workplace policies are reviewed and made transparent. Inclusive behavior is supported with the targeted personal transformation of the leaders and employees towards inclusive behaviors. (Pictet, 2023, p. 4)

Pictet represents the opinion that it is the collective responsibility of everybody within the organization to promote DEI. Therefore, employees are trained regularly, and DEI committees are established within each business line to define, communicate, and oversee DEI initiatives. Several key data metrics are regularly checked to identify the process and elaborate areas for improvement. (Pictet, 2023, p. 5)

In recruitment and development, Pictet is focusing on maintaining a diverse workforce containing a wide range of skills, distinctive talent, and perspectives. This is supported with internal trainings, accurate job advertisements, third party recruitments as well as referral policies. Leaders are specially trained for DEI and for example how unconscious bias can influence decisions to ensure equality. Additionally, mentoring programs are set in place not only internally but also industry-/cross-company-wide. (Pictet, 2023, p. 9)

Over the last years, Pictet made progress in improving the gender equality overall, in senior management positions and hiring on junior level (Pictet, 2023, pp. 10f.). In the area of ethnic diversity, Pictet started collecting ethnic employer data to enable tracking in 2019. In 2022 the collection was extended to voluntary data about gender-identity, disability-status, and sexual orientation (Pictet, 2023, p. 12). Another important part of Pictet's DEI development play employee networks which build communities with open dialogues and people can get feedback from other network members (Pictet, 2023, p. 14). Also in the workplace, measures such as flexible working models, employee assistance programs for mental wellbeing, and disability accessibility have been implemented (Pictet, 2023, p. 15). Through several partnerships, Pictet promotes the DEI efforts.

In the form of an outlook, Pictet commits itself to the following for the year 2024: increasing female representation in the senior management and investment teams, focus on retaining female and ethnic minority talents, enhanced attention to other diversity dimensions such as disability, neurodiversity and life stages, further development partnerships and programs, transformation of policies and processes with equity focus and further develop the culture where people feel heard, valued and recognized. (Pictet, 2023, p. 21)

4.8 Result Analysis

The theory part shows that DEI is a huge topic with a wide range of different aspects included. This means that it is a long process for companies to implement, establish and grow a culture where high DEI standards are present, valued and lived. It also means that companies are required to define priorities and focus areas within DEI. All the investigated companies did define their own DEI strategy with individual focus points.

The company A's DEI initiative focuses on the four main areas patients, people, culture, and society. Summarized this means that they want to offer inclusive clinical trials, and explore several disease areas within different demographic groups, fair development opportunities should be granted, employees feel comfortable, and decisions are made under consideration of their influence on the society. Besides that, company A is using the DEI maturity stages model and would currently be placed in stage three, the tactical phase. With this said, it can be seen that they evaluate regularly their DEI status and know where they are in the process. Such a procedure helps organizations stay on track and motivated, which qualifies as a good practice.

Company B on the other hand is driving an initiative to achieve a culture characterized by collaboration, curiosity, agility, and life-long learning. Through regular surveys the status is compared to the one of similar organization. The four components of UBS' initiative are that everybody is responsible to contribute to the DEI goals, an optimized hiring concept regarding DEI, providing attractive developing opportunities and create an inclusive environment. UBS ensures compliant behavior according to policies and practices with internal reviews and external audits annually. The "inclusion first" approach of Swiss Re contains the three goals such as an inclusive culture, a five-step employee life-cycle concept to ensure equity and inclusion among their people practices and leveraging diversity with five themes. Swiss Re qualifies as a best practice example of Woods & Tharakan's (2021, pp. 62ff.) five step model as Swiss Re defined a specific strategy and timeline. With their inclusion-first approach where they set a timeline until 2025 and decided to after that expand their strategy on other themes. Pictet's key principles focus on talent acquisition, accountability, the development of an inclusive culture and the promotion of DEI also externally towards stakeholders and communities. The above-described procedures are in line with the recommendations by Hardy (no date, p. 7) who suggests recruiting guidelines as well as diversity training and coaching's for a diverse culture which can be evaluated by surveys.

Company B and Swiss-Re have a similar employee life-cycle concept in place. It is divided into several steps along the employee life cycle and starts with hiring, followed by onboarding, development, and leadership, and ends with the off boarding. Each step is analyzed from a DEI perspective and specific measures and goals are defined. Such a structured approach is accountable, measurable and represents an identified best practice. The three organizations explicitly include external stakeholders into their DEI strategy. They evaluate their actions also regarding patients, society, and other stakeholders outside the company.

One part of the evaluated companies' DEI efforts is the set-up of partnerships with external organizations. Examples are the commitment to the "Valuable 500" for disability inclusion, the cooperation with the social security institution or with power-coders and others. Internally company B has employee research groups which are involved in various DEI topics. Swiss Re has created employee research groups which support employees through DEI topics. Pictet actively developed employee networks. Three out of five companies see flexible working models (time and location independent) as an instrument to enable a more diverse workforce.

All five companies are intensively working on increasing their share of women in their workforce and especially in leadership positions. Company A additionally added an important point, they are thriving towards a leadership team which is representative to the workforce representation. All companies have processes in place to ensure and control equality in payment and development opportunities. Four of the five companies investigated, have processes in place to control equality annually.

DEI Strategy Components				
Company A	Company B	UBS	Swiss Re	Pictet
<u>4 Main Areas</u>	<u>4 Cultural Features</u>	<u>4 Components</u>	<u>3 Goals</u>	<u>4 Key Principles</u>
- Patients	- Collaboration	- Accountable	- Inclusive leadership	- Talent
- People	- Curiosity	- Hire	- Equity & inclusion	- Measurement
- Culture	- Agility	- Develop	within core people	- Culture
- Society	- Lifelong learning	- Belong	practices	- Community
			- Drive resilience	
			through diversity	

Figure 8: DEI Strategy Components

The prerequisite that senior leadership support is essential for the realization of advantages through DEI, on which the literature agrees according to Lewis and Tatli (2020, p. 42), is fulfilled by all the companies considered, as they integrated their DEI aspirations into their corporate strategy. Related to that, they underline the importance of leader's commitment to DEI and behavior as experts, as this is copied by line-managers and employees which creates the desired diverse and inclusive atmosphere (Lewis & Tatli, 2020, p. 42). It is not surprising, that education and the creation of awareness about DEI is a main pillar of the strategies of the presented organizations. Company A has a learning portfolio in place and calls one part of it "DEI learning journey" which includes five courses to DEI foundation, unconscious bias, allyship, intercultural awareness and psychological safety. Further DEI concepts and practices are added to their leadership development portfolio. Company B mentioned that they mainly educate their employees and raise awareness with digital trainings. A specific focus point mentioned was the training regarding unconscious bias. Unconscious bias is a good keyword to establish a connection to the theory part about expansion. According to which best outcomes result after thinking out of the box, searching for new different voices, and placing yourself into unfamiliar situations (Morukian, 2022, pp. 5ff.). UBS offers many on- and offline trainings, self-learning, and coaching opportunities, also regarding an inclusive environment and raises awareness. To achieve an inclusive culture, at Swiss Re the leaders and line-managers are taken into charge with a mandatory two-year learning program including learning modules, best-practice sharing sessions, team dialogues, events, and challenges, where also external experts are involved. An impressive number of 90% of the senior leaders completed this program and said that they after focused more about inclusion and challenging biases in their leadership style. These expressions match with the results of employee surveys where more than 80% said that their line manager lead inclusive and that they can be themselves at work. These results go along with Lewis and Tatli's (2020, p. 42) statements that organizational results are influenced by the characteristics of the leaders, their way of leading and the relationship between the managers and their team members. With these education programs and compliant behavior, the responsible people are trained to avoid the building of outgroups and strengthen inclusive behavior which leads to success. This is important as the theory underlines that organizations with implemented belonging concepts create more exchange between the employees (Power to fly, no date.). Also, in the publications of WEF the importance of trained and experienced managers in DEI is highlighted for developing successful DEI practices (WEF, 2020.)

All the investigated companies are using KPI's to measure their progress in DEI topics. They differ from each other in terms of which KPI's they are tracking. All the companies publish the share of women in general and in leadership positions. Further KPI's published of individual

companies are providing information about nationalities, part- and full-time employees, employees by region, distribution by age and gender, gender in promotions and hiring. Company A did develop a KPI called inclusion index, which is conducted by a compilation of several questions in their global employee survey.

Challenges mentioned by following the DEI strategy and implementation of initiatives are challenging economic situations which lead to shifts of priorities within a company and difficulties to measure progress and status. A comment added was the necessity to be aware of different laws, regulations, and cultures in different countries and to be able to react on changes of these framework conditions. This agility to be compliant is also mentioned by WEF as an important point (WEF, 2020).

According to Hofstede (no date), the Swiss workforce is characterized in a way that they value equal rights and decentralized power. Inequalities therefor should be minimized. The people tend to be more individualist and self-oriented than people from other countries. They are motivated towards achievement and success which means that competition is present, and performance is required. Furthermore, the Swiss are seen as rather conservative, safety-oriented and said to have an emotional need for rules. They are striving for fast achieving results and are suspicious towards societal change. They are also characterized by the fact that they are desire driven and open for fun. What was mentioned about the difficulty to keep DEI prioritized in a challenging economic environment is reasonable especially when the workforce is dominated with employees who are motivated towards achievement and success which means that they strive for good financial results and might take the focus from DEI away. When the workforce consists of many individualist minded people, inclusion efforts are even more important to achieve an inclusive culture than when more people with a “we” mindset are present. That in the area of equality, the companies are already advanced, and it is ensured with several measures is not surprising as the Swiss people are characterized to value equality and decentralized power. For people with an uncertainty avoiding mindset, education and trainings are playing an important role to achieve DEI goals.

5 Conclusion

The following presents the most important findings and answers to the research question: “How do Swiss companies implement the best DEI practices?”, formulated at the beginning. The research proves, that DEI is a current topic which is widespread across many Swiss and international organizations. Sound information was found on the topic, and the theory part focuses on understanding the DEI principles and their meaning in working life. One part of the theory focuses especially on the DEI situation in Switzerland and the characteristics of Switzerland and its habitants. The interview questions were formulated based on the theory part. The research consists out of DEI reports from various Swiss companies as well as two interviews. The aim of this thesis is to get an understanding about what the best DEI practices in Swiss companies are and how they are implemented.

A key driver agreed in literature of a successful DEI strategy is its integration within the general corporate strategy and overall support of the senior management which is fulfilled in all the analyzed companies. The maturity stage concept is well suited to gain an understanding where they are standing with DEI initiatives, which was also mentioned by company A. The scale also motivates to achieve the next maturity stage, and thus to keep up to date with changes regarding DEI standards. It is also important to mention here that even if the company reaches level five, it is essential not to stop the development. Otherwise, it may happen that the company's DEI strategy takes a step back.

Another central element of a DEI strategy implementation is education through training and awareness. All the investigated organizations did set up clear concepts in this area. The recognized approach of the companies, supported also from theory, is the education and training of the management and line managers together with the awareness-raising of them. These solidly trained managers who are familiar with DEI are a critical factor for a successful implementation. They need to be motivated to live by good example about the DEI strategy so that it can also be implemented at lower levels. A look at the single stages of the employee life cycle is a good way to analyze the status quo and identify potential for measures to enhance and support DEI. Furthermore, different policies and practices must be in place that accountability is ensured.

Caring about the well-being of employees and responding to different needs increase DEI's value in the company. Examples found because of research, encouraged for the following: flexible working models, the creation of internal resource groups, networks, and communities, “Powercoders” (for refugees to start a career in IT), programs for the integration of long-term

unemployed people, athletes ending their active career etc. As a further step, as some companies already do, the DEI scope and practices can be expanded to external parties like business partners and other stakeholders.

Another important part is the measurement of different KPI's which helps setting goals and measuring progress. For example, the share of women in general, as well as in higher management-level positions, which could get increased significantly by the investigated companies. A few companies that have been screened in the research had set goals that they want to reach in the next few years. Some companies defined to work towards a leadership team which is representative to the workforce representation. A focus of several companies lies in the promotion of an inclusive environment where everybody feels valued, comfortable, respected, heard etc. It is the inclusive and diverse culture which is targeted by the companies, and which is enabling many advantages and lead to better results.

This thesis provides an overview of the DEI strategy and practices in a limited number of companies. Further research could examine more companies and especially smaller companies as there came feedback from such companies when asking for interviews that they are not focusing on DEI yet. It would be interesting to understand, what their reasons are and what needs to be done to convince them, that it is an important topic which can lead to advantages compared to other competitors.

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Appendix 1. Interview Questions

Introduction

- What is your role in the company?
- Can you tell me more about your background?
- Who is responsible for DEI in your company?

Strategy

- How do you evaluate your current DEI status?
- Which DEI initiatives are currently ongoing?
- What have been the biggest achievements recently?
- Which challenges did you face in the past?
- What measures are in place to ensure equity? (For example, ensure fair reward and development possibilities)

Trainings/Education

- Do you regularly educate your employees in these topics?
- Do you educate yourself as an expert especially in DEI?

Current KPI's and future goals

- Which KPI's are you operating with, in the DEI field? If possible, could you share the highlights achieved during the last years?
- What are your most important focus points for the future/Where do you see most potential for action? Is there a concrete plan existing?

Is there anything else you would like to add?

Appendix 2. Data Management Plan

This data management plan describes how the data is collected, used, and processed within this thesis.

1 Management and storage of research data

The research data has been collected via a google meet video call interview and an interview where the answers were provided via email. Additionally, publicly available DEI reports from Swiss companies have been analyzed. The video call interview was sound recorded. The recording and written interview answers are safely stored in the author's personal computer and will be deleted when the thesis process is completed.

The collected research data is owned by the researcher and only used for the purpose of the completion of this thesis. It has been agreed with the interviewees that their names or the company they work for will not be published.

2 Processing of personal data and sensitive data

There is no personal data published within this thesis. Furthermore, no interview transcriptions are included in the appendix of this work.

If necessary, information about the interviewee's role, and company is separately provided to the responsible thesis supervisor.

3 Ownership of thesis data

The data and results of this thesis are in sole ownership of the author.

4 Further use of thesis data after the work is completed

The thesis and used material are safely stored by the author for one year from the date of approval of the thesis, and after will be deleted in a secure manner.